GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2511
ANSWERED ON:31.07.2017
Extraction of Old Oil Wells
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether oil and gas is being extracted from old oil wells by public sector oil companies and if so, the details thereof along with the number of such old oil wells handed over to public sector oil companies during 2017 including production target fixed and achieved during the last three years and current year, company/oilfieldwise;
(b) whether the Government has taken any steps to determine the authenticity of these extractions and if so, the details thereof;
(c) the State/UT/company-wise details of discoveries made by public/private sector oil companies which have not been developed over the years for oil/gas production along with the steps taken by the Government to develop such marginal fields in order to enhance country's oil production;
(d) whether the Government proposes to give priority to private sector to increase the production in the nominated oil well region and if so, the details thereof along with the number of such oil well regions and their annual average production including achievement made by private sector for additional production from such oil
wells; and
(e) the details of oil fields/wells where production of oil/gas/hydrocarbon and petroleum products has not taken place in Rajasthan during the said period along with the details of review, if any, conducted by the Government to start drilling work in various oil fields by upstream companies, company-wise?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARAMENDRA PRADHAN)
(a) Most of crude oil production in the country by Public sector oil companies is from aging fields in the States of Andhra Pradesh, Assam, Arunachal Pradesh, Gujarat, Rajasthan, Tamil Nadu and Offshore areas. In ONGC, most of the producing fields are old and presently major producing fields like Mumbai High, Neelam, Heera and Bassein in Western Offshore; Kalol, Jhalora, Nawagam, Viraj, Sanand, Sobhasan, Jotana, Santhal, Ankleshwar, Gandhar etc. in Gujarat and Lakwa, Geleki, Rudrasagar in Assam are matured and producing for more than 35 years. As far as Oil India Limited (OIL) is concerned there were 375 old wells on production at the beginning of the year 2017. No old oil wells have been awarded to National Oil Companies (NOCs) during the year 2017.
(b) Ministry of Petroleum and Natural Gas vide letter dated 25th November, 2016 has directed Directorate General of Hydrocarbons (DGH) to monitor the production of oil and gas fields of National Oil Companies (NOCs). DGH has undertaken a number of steps for monitoring the oil & gas fields including the following:-
i) Monthly production monitoring, asset wise through software based PDMS (Production Data Monitoring System).
ii) Quarterly Asset level monitoring of production performance.
iii) Monitoring of Reservoir performance
iv) Monitoring of discoveries.
v) Constituted Review Committees to look into various aspects of National Oil Companies (NOCs) operations.
(c). The State/UT/company-wise details of discoveries of marginal fields which had not been developed over the years for oil/gas production are enclosed as Annexure. These identified 69 marginal fields were discovered by National Oil Companies (ONGC/OIL) and could not be developed due to small size of the oil and gas reserve, isolated locations, development costs, technological constraints, fiscal regime etc. The Government on 2nd September, 2015 approved the Discovered Small Field (DSF) Policy with the objective of bringing these 69 marginal fields to production at the earliest to augment the domestic production. Through this policy, government has attempted to include certain reforms in the Exploration and Production (E&P) sector with the intention to increase the production at the earliest. After successful Discovered Small Field Bid Round-2016, a total of 30 Contract Areas has been awarded to successful bidders under DSF policy on 27th March, 2017.
(d). Recently concluded Discovered Small Field Bid Round-2016 was conducted through open, transparent, International Competitive Bidding process and National Oil Companies (NOCs) were also allowed to bid and after detailed evaluation and due approval, a total of 30 Contract Areas has been awarded to successful bidders.
(e) The company-wise details of oil & gas fields under monetization and not on production in the state of Rajasthan are given below:-
(i) ONGC's gas field Chinnewala Tibba is under monetization and other gas fields i.e. Bankia, Kharatar & Ghotaru are under service contract.
(ii) Two gas discoveries viz KW#3 & KW#6 in the block RJ-ON-90/1 operated by Cairn Energy is under monetization. In addition, gas discoveries SSG-1 and SSF-2 in the block RJ-ON/6 operated by Focus Energy is also under monetization.
(iii) RJ-ONN-2004/2, the block operated by Oil India Limited, discovery is in early stage.
These discoveries are, however, under various stages of evaluation/appraisal/commerciality and Directorate General of Hydrocarbons (DGH) has been directed by the Government to closely monitor/review the various stages of production to expedite the production process and early monetization.
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